

---

Testimony of

**Maura W. Donahue**  
**Chair, United States Chamber of Commerce**

**Getting Ready for the 2006 Hurricane Season**

Before the

House Government Reform Committee

May 24, 2006

---

## **Introduction**

First, I would like to thank Chairman Davis, and all the Members of this Committee for giving me the opportunity to testify before you today.

My name is Maura Donahue, and I am chair of the United States Chamber of Commerce board of directors and President of DonahueFavret Contractors Holding Company in Mandeville, Louisiana.

The U.S. Chamber of Commerce (“the Chamber”) is the world’s largest business federation, representing more than 3 million businesses through our federation, which includes direct corporate members of all types and sizes; trade and professional associations; state and local chambers throughout the United States; and 104 American Chambers of Commerce abroad (AmChams) in 91 countries.

On behalf of the Chamber, I would like to express our appreciation to the Committee for having this opportunity to offer recommendations on how to mitigate the impact of the next disaster and facilitate a quicker recovery.

In my community, an untold number of people and businesses are struggling to recover from the Gulf Coast hurricanes of last year. It’s not my intention this afternoon to focus on past failures or to assign blame.

Instead, I am here to offer recommendations on how to mitigate the impact of the next disaster and facilitate a quicker recovery.

The Chamber's recommendations for disaster preparedness and response are centered on three key principles: Information, Communication, and Collaboration.

### **Information and Communication**

The first two – information and communication – go together. We must enhance communication and the flow of timely, accurate and actionable information to the general public; among federal, state and local government agencies; and between government and the private sector.

With regards to informing the public, the Department of Homeland Security's preparation and mitigation awareness campaign known as "Ready", could be greatly strengthened by leveraging communication capabilities of multiple organizations in an affected region or nationally. Organizations like the U.S. Chamber have multiple ways to communicate en masse to our members. Whether through our direct corporate members, our network of state and local chambers, our hundreds of trade and professional associations, the 104 AmChams abroad, the U.S. Chamber of Commerce is just one example of an organization that is trying to deliver business information around the world. And in cases like disaster preparedness and response we are eager to be helpful. Attached are some examples of the written messages we sent out to our members post-Katrina without any provocation from the federal government.

We have also been regularly included in DHS readiness efforts helping Secretary Ridge's initial launch of Ready Business as well as Secretary Chertoff's roll out of the Ready Business Public Service Announcements. While we feel we have done some good work with an integrated strategy, we could all to more—both before and after a disaster.

In the wake of a disaster, the government should streamline how it communicates information about damage assessments and disaster assistance needs to the private sector. During the Katrina and Rita response periods, FEMA, the Department of Homeland Security (DHS) private sector office, the Department of Commerce, USA FreedomCorps, SBA, and the Department of Education all held their own private sector briefings. While all of these entities had the best of intentions, communication was not always clear and consistent. Often, it seemed all we did was listen in on calls where the same information was repeated over and over again and our questions went unanswered.

To be better prepared, we suggest that the government establish an information sharing protocol that gives the government a single, consistent voice outside of the ESF

specific channels of communication. For these and all of the critical infrastructures and key resources (CI/KR), DHS should work with all of the Sector Specific Agencies to establish single lines of specific CI/KR needs.

### **Collaboration**

While enhanced communication and information are crucial first steps to better preparation and response, they are pointless without greater collaboration between the public and private sectors.

Over the last several years the government has made great strides in this area. DHS has taken many steps to integrate the private sector in government response and recovery planning. For example, at the first TOPOFF exercise there was no private sector involvement. For TOPOFF 3, DHS formed a private sector advisory committee and the private sector participated at all levels of the exercise and they are working hard on TOPOFF 4. And today, Chamber members are participating in five DHS regional hurricane preparedness exercises.

But we need to do even more. The Chamber has identified a number of additional ways to improve public-private collaboration, and I'd like to list a few of them.

First, DHS should establish an ongoing and formal dialogue with the private sector to understand what assets and capabilities--such as logistics and inventory management--the private sector can contribute to disaster response. Government cannot and should not assume sole responsibility for these functions.

As part of this effort, the Department of Homeland Security should work with the private sector to develop a system similar to the states' Emergency Management Assistant Compact (EMAC). Such a tool would give DHS better visibility of private sector resources and assets that can be deployed during an emergency.

Second, the Department should require states, as a condition of DHS funding, to demonstrate how they are integrating the private sector into state planning, exercising and training. Prioritizing CI/KR initially, such a plan should reach into communities and perhaps begin by focusing on the Urban Area Strategic Initiative (UASI) program.

Third, the government and the private sector should team up to build a jointly managed federal disaster aid registry. This system should specifically include the recovery needs of businesses and should be maintained by a private sector entity. The Chamber's nonprofit affiliate, the Business Civic Leadership Center, managed such a registry during Katrina and Rita to great effect, matching donations with needs. Building a single national registry would be appropriate, and we urge DHS to begin work on this immediately.

Fourth, we recommend creating an Assistant Secretary position for Private Sector Preparedness and Response Coordination at DHS. The Assistant Secretary would coordinate with the private sector to ensure business integration into preparedness, mitigation, response, and recovery efforts at the state and federal levels. The Assistant Secretary would lead a team that would be operational in nature and would outreach to the private sector before, during and after a disaster.

Finally, strong consideration should be given to creating what we call “Red Cross for Business.” While humanitarian agencies such as the Red Cross are extremely important for individuals, we must build capacity to restore communities.

An entity focused on bringing back business capacity after a disaster is, in our view, critical to an area’s overall return to economic vitality and recovery. The existing limited suite of federal programs—like the small business disaster loan program—simply are not up to the task of expeditiously providing the necessary assistance in the wake of a disaster.

Will all future disasters be on the larger scale of Hurricane Katrina? No. But we should be ready with a system that can scale up to meet massive need across state boundaries, and be flexible enough to help in small disasters too--if such a thing exists.

## **Conclusion**

In conclusion, Members of the committee, the start of hurricane season just days from now is a reminder to all of us that we are not fully prepared for the next disaster. We must take practical, concrete steps now to avoid more chaos, destruction, and suffering later. By focusing on exchanging information and improving communication and collaboration between the public and private sector we will make great strides to be better prepared tomorrow than we are today.

Thank you for providing us with the opportunity to share our views with the Committee on this very important issue.